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FM AMEMBASSY CAIRO
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C O N F I D E N T I A L CAIRO 001488

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TAGS: [PREL](#) [PGOV](#) [ECON](#) [ETRD](#) [EG](#) [IR](#)
SUBJECT: EGYPTIANS DISMISS IDEA TO OPEN IRANIAN-EGYPTIAN
CHAMBER OF COMMERCE

REF: A. IAP20070519950037

- [1](#)B. CAIRO 1442
- [1](#)C. 2006 CAIRO 7512
- [1](#)D. 2006 CAIRO 7208

Classified by Minister Counselor for Economic and Political
Affairs William Stewart for reasons 1.4 (b) and (d).

[1](#)1. (C) Summary: Amid continuing press speculation about a
warming in Iranian-Egyptian relations, Egyptian trade and
diplomatic officials dismiss the likelihood of the
establishment of an Iranian-Egyptian Chamber of Commerce. A
senior MFA official told PolCons separately that the only
person who hates the Iranians more than the Foreign Minister
is the President. End Summary.

[1](#)2. (U) The Iranian Students News Agency reported on May 19
that Iran's chamber of commerce announced its readiness to
start commercial relations with Egypt and to establish an
Iranian-Egyptian Chamber of Commerce. (Ref A, Open Source
Center). The story quoted an Iranian chamber official
stating that the Egyptians have shown a lot of interest in
initiating a new chapter of commercial and economic relations
with Iran.

[1](#)3. (C) However, Abd El Rahman Fawzy, First Undersecretary in
the Ministry of Trade and Industry, told econoff that there
was no possibility of any significant trade developments
between Egypt and Iran. Fawzy suggested that Egyptian
security services prohibit Egyptian businessmen from dealing
with Iran, although "not in writing."

[1](#)4. (C) An MFA official has also downplayed the significance
of recent public gestures of goodwill between the nations,
arguing that Iran is not yet ready to address Egyptian
concerns (ref B). Hesham El Nakib, head of the MFA's Public
Affairs department, told Polcouns separately that there is no
chance of rapprochement. "The only person who hates the
Iranians more than (Foreign Minister) Aboul Gheit is
(President) Mubarak," Nakib said. Mubarak has frequently
voiced personal animus and suspicions about Iran with
interlocutors (ref C and previous.)

[1](#)5. (SBU) In addition, trade officials have maintained that
Egyptian businessmen are risk-averse and know little about
the murky Iranian market (ref D). At least one Egyptian
company has found success in Iran, however. Iran is the
biggest export market for Nakhla Tobacco Co., producer of
flavored tobacco for water pipes, among the 85 countries that
import its products, according to a Nakhla official in Cairo.
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